



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

RQ-2

MAR 24 1998

Karen L. Rasmussen, Treasurer
Dave Wu For Congress
111 SW 5th Avenue
Portland, OR 97204

Identification Number: C00329292

Reference: Year End Report (7/15/97-12/31/97)

Dear Ms. Rasmussen:

This letter is prompted by the Commission's preliminary review of the report(s) referenced above. The review raised questions concerning certain information contained in the report(s). An itemization follows:

-When a committee reports receiving a loan from the candidate, it is necessary to clarify whether or not the candidate used personal funds or borrowed the money from a lending institution or some other source. If the candidate borrowed funds from a lending institution, or other source, please provide the name of the lending institution and the complete terms of the loan. Additionally, for loans from a lending institution, you must file an FEC FORM C-1 (copy attached) and a copy of the loan agreement. If the loan(s) was from personal funds, please acknowledge that fact in an amendment to this report. It is important to note that "personal funds" is strictly defined by Commission Regulations. See 11 CFR §110.10. (11 CFR §§100.7(a)(1) and 104.3(d))

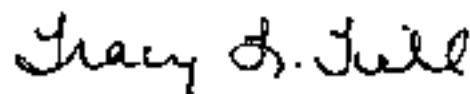
-While it is permissible for a person to make a contribution for the general election prior to the primary election, the recipient committee must employ an acceptable accounting method to distinguish between primary and general election contributions. 11 CFR §102.9(e) This general election amount should be maintained in the committee's account.

If the candidate does not participate in the general election, any contribution received for the general election must be returned to the donors, redesignated or reattributed in accordance with 11 CFR §§110.1(b)(5).

110.2(b)(5) or 110.1(k)(3), as appropriate. The use of general election contributions to pay primary debts and obligations is prohibited under the Act as such use could result in individuals making contributions with respect to the primary election in excess of the \$1,000 per election limit. Any subsequent report(s) filed with the Commission should disclose the refund, redesignation or reattribution of any general election contribution. Refunds, redesignations, or reattributions must be done within sixty days after the 1998 Primary Election.

A written response or an amendment to your original report(s) correcting the above problem(s) should be filed with the Federal Election Commission within fifteen (15) days of the date of this letter. If you need assistance, please feel free to contact me on our toll-free number, (800) 424-9530. My local number is (202) 694-1130.

Sincerely,



Tracy L. Tiell
Reports Analyst
Reports Analysis Division

LOANS AND LINES OF CREDIT FROM LENDING INSTITUTIONS

NAME OF COMMITTEE (IN FULL)		FEC IDENTIFICATION NUMBER	
FULL NAME, MAILING ADDRESS AND ZIP CODE OF LENDING INSTITUTION (LENDER)		AMOUNT OF LOAN	INTEREST RATE (APR)
		DATE INCURRED OR ESTABLISHED	DATE DUE
A. Has loan been restructured? <input type="checkbox"/> No <input type="checkbox"/> Yes If yes, date originally incurred: _____			
B. If line of credit, amount of this draw: _____; total outstanding balance: _____			
C. Are other parties secondarily liable for the debt incurred? <input type="checkbox"/> No <input type="checkbox"/> Yes (Endorsers and guarantors must be reported on Schedule C.)			
D. Are any of the following pledged as collateral for the loan: real estate, personal property, goods, negotiable instruments, certificates of deposit, chattel papers, stocks, accounts receivable, cash on deposit, or other similar traditional collateral? <input type="checkbox"/> No <input type="checkbox"/> Yes If yes, specify: _____ What is the value of this collateral? _____			
Does the lender have a perfected security interest in it? <input type="checkbox"/> No <input type="checkbox"/> Yes			
E. Are any future contributions or future receipts of interest income, pledged as collateral for the loan? <input type="checkbox"/> No <input type="checkbox"/> Yes If yes, specify: _____ What is the estimated value? _____			
A depository account must be established pursuant to 11 CFR 100.7(b)(11)(i)(B) and 100.8(b)(12)(i)(B). Date account established: _____ Location of account: _____			
F. If neither of the types of collateral described above was pledged for this loan, or if the amount pledged does not equal or exceed the loan amount, state the basis upon which this loan was made and the basis on which it assures repayment.			
G. COMMITTEE TREASURER			DATE
TYPED NAME		SIGNATURE	
H. Attach a signed copy of the loan agreement.			
I. TO BE SIGNED BY THE LENDING INSTITUTION: I. To the best of this institution's knowledge, the terms of the loan and other information regarding the extension of the loan are accurate as stated above. II. The loan was made on terms and conditions (including interest rate) no more favorable at the time than those imposed for similar extensions of credit to other borrowers of comparable credit worthiness. III. This institution is aware of the requirement that a loan must be made on a basis which assures repayment, and has complied with the requirements set forth at 11 CFR 100.7(b)(11) and 100.8(b)(12) in making this loan.			
AUTHORIZED REPRESENTATIVE		TITLE	
TYPED NAME		SIGNATURE	
		DATE	

